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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/704,379	11/02/2000	Fred Bishop	10655.7600	4909

66170 7590 04/17/2007  
AMERICAN EXPRESS TRAVEL RELATED SERVICES CO., INC.  
c/o SNELL & WILMER, L.L.P.  
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PHOENIX, AZ 85004-2202

EXAMINER

PATEL, JAGDISH

ART UNIT	PAPER NUMBER
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3693

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	04/17/2007	PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

<b>Office Action Summary</b>	<b>Application No.</b> 09/704,379	<b>Applicant(s)</b> BISHOP ET AL.	
	<b>Examiner</b> JAGDISH PATEL	<b>Art Unit</b> 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☐ Responsive to communication(s) filed on 30 January 2007.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 2-10, 15-16, 19, 21-25, 38, 53-58 and 61-64 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 2-10, 15-16, 19, 21-25, 38, 53-58 and 61-64 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

### **DETAILED ACTION**

1. This communication is in response to amendment filed 1/30/2007.

#### ***Response to Amendment***

2. Claims 6, 25, 38, and 57 have been amended. Claims 2-10, 15-16, 19, 21-25, 38, 53-58 and 61-64 are currently pending.

#### ***Response to Arguments***

3. Applicant's arguments with respect to rejection of claim as being unpatentable over Walker (US 5,794,207) (Walker, '207' Patent) and further in view of Walker (US 6,108,639) (Walker, '639' Patent) and further in view of Gopinathan et al. (US 6,330,546) (Gopinathan) have been considered but are moot in view of the new ground(s) of rejections. In particular, the applicant argues that Gopinathan only serves an advisory role in helping the transacting entity to determine whether the level of risk is acceptable. Gopinathan does not allow or disallow transactions based on the level of risk and therefore, the burden remains with the transacting entity. The examiner, has withdrawn the rejection of the pending claims in consideration of this persuasive argument. However, based upon a new search which emphasizes this specific feature, the examiner has found a new prior reference of Ronning et al. (US 2005/0154676) which teaches a method and apparatus of detecting frauds in a commercial transactions between a first party and a second party (see [0006]). Ronning, maintains a system 200 which maintains both daily records 550 and historical records 560 which maintain data based on all orders processed before the current day (Fig. 5C and para [0050] –[0055], pp 4-5). A fraud score is generated

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based upon the submitted transaction information and the historical records 560 linked to the submitted transaction information (para [0057]). Ronning, in particular teaches that the debiting funds in the amount of the sale price of the item only occurs if the request to debit the credit card account (see [0048]) for a purchase is not deemed fraudulent (see [0058] and [0059]).

***Claim Rejections - 35 USC § 103***

4. Claims 2-10, 15, 16, 19, 21-25, 38 and 53-58 and 61-64 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker (US 5,794,207) (Walker, '207' Patent) and further in view of Walker (US 6,108,639) (Walker, '639' Patent) and further in view of Ronning et al (US 2005/0154676) (Ronning).

As per claim 6, Walker, '207' Patent teaches a method of facilitating commercial transactions, which method comprises the steps of:

facilitating registration of a first party with a transaction mechanism having a financial account identifier for identifying a first financial account associated with said first party;

(see col. 8 L 66 – col. 9 L 5; col. 13 L 1-10 and Fig. 5; see col. 15 L 46+ CPO)

receiving at said transaction mechanism a request to debit said first financial account to effectuate a purchase transaction between said first party and a second party;

(col. 9 L 32-43, funds transfer)

receiving at said transaction mechanism transaction information relating to said purchase transaction between said first party and said second party;

(buyer creates a CPO, see col. 8 L 66 – col. 9 L 5)

determining at said transaction mechanism whether said purchase transaction is acceptable based upon at least one of said transaction information, said request to debit said first financial account...;

(see Fig. 6, col. 17 L 27-47, see col. 22 "Delayed Payment Embodiment")

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debiting at said transaction mechanism funds at said transaction mechanism form financial account of said first party;

(Payment Preferences);

disbursing funds at said transaction mechanism to a financial account associated with said second party,

(Payment Preferences)

While, Walker, '207' Patent teaches the aforementioned process steps pertaining to the purchase transaction, it fails to teach that a shipping agent is provided which performs the functions of receiving an item, causing the item to be delivered to the first party as per claim 6.

Walker, '639', Patent, in the same field of endeavor, however, discloses a method and system of facilitating commercial transactions which comprises a shipping agent performing the aforementioned transactional steps as follows:

receiving an item from said second party;  
(col. 3 L 39-42, goods are forwarded to the dealer/authenticator)

causing said item to be delivered to said first party after said funds are credited to the said second financial account.

(col. 3 L 48-55 the dealer/authenticator can deliver the item to the buyer and authorize payment to the accepting seller)

It would have been obvious to one of ordinary skill in the art at the time of invention to incorporate the aforementioned features Walker, '639', Patent in the former Walker Patent reference because it would provide assurance to the first party (e.g. a buyer) that the item being purchased from the second party (e.g. a seller) would be delivered in accordance with the purchase transaction and would guarantee the second party that a payment is received prior to the delivery of item.

While, the Walker patent references discussed above teaches the method of facilitating commercial transaction, they do not teach the steps of comparing the transaction information with previous transaction information, determining whether the purchased transaction is acceptable, and debiting funds from the first account in the amount of sale price of the item when the request to debit the first financial account is not fraudulent.

Ronning, in the same field of endeavor, however, discloses a method of determining a potential for fraud in a purchase transaction between a first party and a second party and subsequently allowing or disallowing the transaction based upon the determination that a request to debit an account such as a credit card account (see col. 1 L 64 – col. 2 L 14). Ronning teaches

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determining that the transaction is fraudulent by comparison of the current transaction information with previous transaction information. ((Fig. 5C and para [0050] –[0055], pp 4-5), (see detailed explanation provided under “Response to Arguments”)).

It would have been obvious to one of ordinary skill in the art at the time of invention to incorporate the aforementioned feature of determining if the debit transaction is fraudulent in determining the acceptability of purchase transaction as discussed above because determining potential fraudulent debit transaction prior to affecting the funds transfer would reduce chances of fraudulent transactions which would reduce liability of the holder of the first financial account holder, as well as improve confidence level of the first and second parties in the transaction mechanism for commercial transaction.

Please refer to prior office action for detailed analysis of claims 2-5 and 7-10.

Claim 15. The method of claim 6, comprising the step of receiving notification by said transaction mechanism from said shipping agent that said first party has received goods, services, and other value shipped from said shipping agent.

(see col. 22 “only after goods have been received by the buyer are the funds transferred ..”, note that receiving notification is inherent because the central controller performs the escrow function)

Claim 16. The method of claim 6, comprising the step of providing an intermediary to facilitate said transaction between said first party and said second party.

(see for example, Fig. 1, refer to central controller 200 which performs the functions of an intermediary)

Claim 19. wherein the step of interfacing with said shipping agent comprises maintaining by said transaction mechanism at least one of said first party's and said second party's identity and address in confidence with respect to either said first or said second party.

(refer to Walker “Delayed Payment Embodiment”, col. 22, note that the payment is carried out by the central controller who acts as an escrow agent).

Refer to claim 6 for motivation statement.

Claims 21-25 have been analyzed as per respective method claims 2-6. All limitations have been recited in the cited references.

Claim 38 corresponds to method claim 6 and has been analyzed accordingly.

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Claims 53, 57 and 58 have been analyzed as per respective method claims 2-6. For hardware elements of the device please refer to Figures 2-4.

Claim 54: network interface in communication with said central processor (see Figure 2).

Claim 55: storage device ..customer transaction records database.. (see Fig. 2 Buyer database).

Claims 56: said memory comprises a risk management module, transaction control module and an authentication module (see data storage device 250 having contract detail database 280, cryptographic key database 290 and CPO database which is accessible by CPU 205)

Claims both explicitly meet 61-64 cited references of (Walker, '207' Patent) and (Walker, '639' Patent) since the commercial transaction pertain to item of values.

### *Conclusion*

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAGDISH PATEL whose telephone number is (571) 272-6748. The examiner can normally be reached on **800AM-630PM Mon-Tue and Thu.**

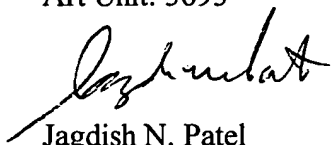
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, **KRAMER JAMES A** can be reached on **(571)272-6783**. The fax phone number for the organization where this application or proceeding is assigned is 517-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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A handwritten signature in black ink, appearing to read 'Jagdish N. Patel', written over a horizontal line.

Jagdish N. Patel

(Primary Examiner, AU 3693)

4/15/07